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PERU

Narcotics Cooperation

Introduction

Peru is the world's largest producer of coca leaf. It is grown in a belt of land along the eastern slopes of the Andes at elevations generally between 500 and 2,000 meters above sea level. The best estimate of acreage devoted to coca cultivation in Peru is 50,000 hectares. Subtracting the 14,000 metric tons required for licit use from an overall estimate of 50,000 metric tons of production per annum, makes available 36,000 metric tons for the illicit market. Cuzco Department is a traditional growing area and its leaves are preferred by indigenous chewers. In the early 1970's large-scale illicit coca cultivation was introduced in the Upper Huallaga Valley which has now become the second most important growing area. However, the potential areas for coca cultivation in Peru are extensive.

Coca derivatives, or the more familiar HCL powder form, are illegally exported from Peru by a variety of methods: ships, private and commercial aircraft, vehicles and river boats utilizing the primary exit points of Callao, the Lima International Airport, Iquitos International Airport and numerous locations and towns along thousands of kilometers of unpatrolled border and coastline.

Efforts at Drug Control to Date

Since 1978 INM has been working with the Government of Peru to support programs designed to reduce the production and trafficking in illegal narcotics at its source. The U.S. Government has spent a total of $3,672,000 in assisting the Peruvian narcotics control program. The initial thrust of program support was weighted heavily in favor of enforcement activities; however, the current trend is toward a balanced program of enforcement, education, and income substitution as a more effective combination of efforts for combatting the serious international illicit narcotics problem.

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The Governments of the United States and Peru have adopted as the short-term goal for the narcotics program in Peru the reduction of the illicit international traffic in narcotics, particularly cocaine, originating in Peru. Broadly, the long term goal is to reduce the production of coca leaf in Peru to the level required for legitimate domestic consumption and export. Within the framework of these objectives, the U.S. Government has entered into various project agreements with key agencies involved in the narcotics control effort. The U.S. is especially interested in enhancing the operational and intelligence coordination among all Peruvian narcotics enforcement agencies. Among these groups, the Peruvian Investigative Police (PIP), the Guardia Civil (GC), and the University of the Jungle at Tingo Maria have been the principal recipients of U.S. aid. The PIP has received $1,001,00 in U.S. financial assistance, the GC $741,000, and the University of the Jungle $350,000 over a three-year period (FY 1978 through FY 1980). Projected budget for FY 1982 is $2.7 million.

The Upper Huallaga Valley Project is a joint effort among the Bureau of International Narcotics Matters (INM), the Agency for International Development (AID), the Government of Peru and other outside investors (e.g., the World Bank). It targets an estimated 12,000 to 17,000 hectares of coca cultivation, or 50 percent of the illicit trade in Peru. This five year economic development/coca substitution project in the Upper Huallaga Valley is now in preparation. It is the first instance in which the long advocated strategy of coordinating enforcement with economic assistance will be implemented. The AID-integrated rural development project calls for an initial loan and a grant of $18.0 million to contribute to agricultural development in the Upper Huallaga. INM plans to budget $17.5 million on enforcement and eradication of illicit coca to be spent over a five-year period. The Peruvian Air Force has completed an INM-funded aerial survey of the Upper Huallaga Valley which will enable us to determine the exact location of coca areas and acreage in the area.

Prospects for the Future

The critical factor affecting the success of the INC program in Peru is the commitment of the Government of Peru. The Fernando Belaunde Terry administration

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has demonstrated its dedication to the anti-narcotics effort but continuing economic and development difficulties, and internal security problems limit the ability of the Government to commit significant human and monetary resources. Moreover, the need for income substitution and a rural development program is manifest. Consequently, it is imperative that the U.S. Government be prepared to contribute substantial sums toward not only enforcement/control efforts, but also toward rural development goals.

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